



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution authorizing the City Manager to allocate \$90,000 from three funds to extend for one year the Lodi C.A.R.E. Package Program; and authorizing the City Manager to execute a contract with the Lodi Salvation Army to assist in coordinating this program (EUD)

MEETING DATE: September 7, 2005

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to allocate \$90,000.00 from various funds to extend for one year the Lodi C.A.R.E. Package Program; and authorizing the City Manager to execute a contract with the Lodi Salvation Army to assist in coordinating and administering this program.

BACKGROUND INFORMATION: In the summer of 2004, the City of Lodi Electric, Finance and Public Works departments, in partnership with Central Valley Waste and the Lodi Salvation Army, launched the Lodi C.A.R.E. (Customer Assistance and Relief on Energy) Program. The program is designed to provide financial assistance to Lodi families – who are below the current federal income guidelines – in the payment of their City of Lodi utility bill. During the first year of the program, 140 families were provided assistance, totaling \$16,940.17 in relief payments. It should be noted, that an additional 153 families filed an application for assistance, but were denied for various reasons (primarily: income levels exceeded the income guidelines adopted for this program). Of the 140 families assisted, all received follow-up contact from the Electric Utility Department, offering a free in-home energy audit (and of that number, a total of 46 energy audits were performed inside the home).

By way of this Council agenda item, City of Lodi staff, representatives of Central Valley Waste, and Lodi Salvation Army staff, are recommending a continuation of the program for the next twelve months, commencing September 1, 2005. For year two of the program, staff is proposing the following:

- customers are eligible for a maximum grant of \$150 every six months (an increase of \$25 from the first year of this program);
- a family in need will be interviewed by staff of the Lodi Salvation Army, and must meet the eligibility requirements (please see attached Exhibit "A" – Eligibility Requirements);
- if approved by staff from the Lodi Salvation Army at their Lockeford Street offices, the Lodi Salvation Army will then notify the City of Lodi Finance Department of eligible customer name, and the amount of the relief payment; City of Lodi Finance staff will input appropriate payment data into the customer's account;
- the Salvation Army will once again notify the City of Lodi Electric Utility Department of approved customers; these customers will then be contacted for a free, in-home energy audit (staff will also deliver important customer information regarding water conservation and services available through Central Valley Waste); and

APPROVED:

A handwritten signature in dark ink, appearing to read "Blair King", written over a horizontal line.

Blair King, City Manager

Adopt resolution authorizing the City Manager to allocate \$90,000 from three funds to extend for one year the Lodi C.A.R.E. Package Program; and authorizing the City Manager to execute a contract with the Lodi Salvation Army to assist in coordinating this program (EUD)

September 7, 2005

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- a new set of income guidelines have been developed for year two of this program, which the Salvation Army will utilize as a part of the customer eligibility screening process (please see attached Exhibit "B"). Please note- each income level has increased by \$1,000.00; in consultation with Salvation Army staff, the increase will allow additional families to participate in this program (Salvation Army staff had to reject a significant number of applications, because the income levels were too low; the Salvation Army representatives feel the modest income level increase will assist more families).

As mentioned above, several entities are partnering to ensure success of this program. Below is a listing of those agencies/departments, and the financial resources committed by each to fund this effort:

- Central Valley Waste, \$15,000 (this contribution will fund the refuse relief payment component);
- City of Lodi Electric Utility, \$60,000 (this contribution will fund the program administration, customer outreach & material duplicating costs, as well as the electric utility relief payment component);
- City of Lodi Public Works, \$30,000 (this contribution will fund the water and wastewater relief payment components);
- City of Lodi Finance Department (staff time);
- Lodi Salvation Army.

The Lodi C.A.R.E. Package was created to assist families in crisis. The relief payments are designed to provide a level of financial assistance during their hardship. The \$150 maximum relief payment was developed following careful research by City of Lodi staff. It was determined that a customer – currently participating in the City's low-income electric utility rate discount program (known as the SHARE Program) – had an average utility bill of \$140 per month (up from \$120 per month one year ago). The Lodi C.A.R.E. Package Program is being provided to customers in need, solely as a hand-up, rather than a hand-out, during their difficult financial time.

Also by way of this Council action, city staff is recommending approval of a second year contract with the Salvation Army. This organization has been selected to administer the program again this year, and provide the necessary screening services at their offices located on Lockeford Street. Electric Utility staff will continue to serve as the City of Lodi's point of contact for the program, frequently meeting with Salvation Army staff on document filing, customer follow-up and management of the budget.

Electric Utility, Finance and Public Works staff, in conjunction with Central Valley Waste and the Lodi Salvation Army, respectfully recommend approval of these funds, as well as execution of the contract, to implement year two of the Lodi C.A.R.E. Package Program.

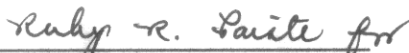
FISCAL IMPACT: The net fiscal impact to City of Lodi utilities is \$30,000, if all funds are provided to customers in need. This \$30,000 figure represents the funds provided to this grant program by the City of Lodi Public Works Department for customer-incurred water and wastewater charges. The remaining \$60,000 in funding is paid for through the City of Lodi Public Benefits Program, and would not be considered lost revenue to the City of Lodi (as programs of this nature are recommended be provided by electric service providers in California, as part of their respective Public Benefit programs).

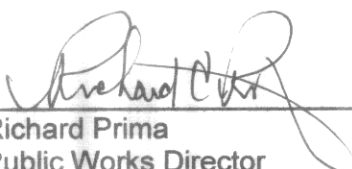
Adopt resolution authorizing the City Manager to allocate \$90,000 from three funds to extend for one year the Lodi C.A.R.E. Package Program; and authorizing the City Manager to execute a contract with the Lodi Salvation Army to assist in coordinating this program (EUD)

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FUNDING AVAILABLE: 164606 – Public Benefits (Category: Low-Income Services) \$60,000
180609 – Water Fund (Public Works) \$15,000
170609 – Wastewater Fund (Public Works) \$15,000


James R. Krueger, Finance Director


Richard Prima
Public Works Director


Mel Grandi
Electric Utility Director - Interim

Prepared By: Rob Lechner, Manager, Customer Service and Programs

MG/RL/lt

c: City Attorney

Lodi C.A.R.E. Package

EXHIBIT "A"

Eligibility Requirements:

- must meet income guidelines as established in Exhibit "B;"
- customer has *not* received assistance through the Lodi CARE Package Program in the past six (6) months;
- customer must present (in person) appropriate documentation of the following in order to qualify for a relief payment-
 - current City of Lodi utility statement;
 - ID/Social Security Cards for ALL members of the household, and driver's license or California ID card of the person listed on the utility account;
 - proof of current income (i.e.: pay stub, grant letter, etc.)- handwritten notes are *not* acceptable;
 - copy of rental agreement;
 - proof of unexpected expenses (within the last sixty days), resulting in the inability to or hardship in paying City of Lodi utility account;
 - City of Lodi receipt for customer's co-payment, if applicable/necessary;
- customer must consent to a free, in-home energy audit, once their relief payment has been approved; and
- contact the Lodi Salvation Army to determine eligibility; the number is 369-5896.

Lodi C.A.R.E. Package

EXHIBIT "B"

Benefit Levels:

- \$150.00 per eligible customer service address/account; and
- one relief payment in a six-month period; no more than two (2) relief payments in 12 months.

Lodi CARE Package Income Levels:

> 1-2	persons in household	\$17,000 (maximum)
> 3	persons in household	\$21,000 (" ")
> 4	persons in household	\$26,500 (" ")
> 5	persons in household	\$32,000 (" ")
> 6	persons or more in household	\$37,500 (" ")

RESOLUTION NO. 2005-192

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE
CITY MANAGER TO ALLOCATE VARIOUS FUNDS FOR THE LODI
CARE PACKAGE PROGRAM, AND FURTHER AUTHORIZING THE CITY
MANAGER TO EXECUTE A CONTRACT WITH THE SALVATION ARMY
TO ASSIST IN COORDINATING THIS PROGRAM

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WHEREAS, the Lodi Customer Assistance & Relief Energy (CARE) Package Program is designed to provide financial assistance to Lodi families who are below the current federal income guidelines in the payment of their City of Lodi utility bill; and

WHEREAS, City of Lodi staff, representatives of Central Valley Waste, and Lodi Salvation Army staff are recommending a continuation of the program for the next 12 months, commencing September 1, 2005. For year two of the program, staff is proposing the following:

- customers are eligible for a maximum grant of \$150 every six months (an increase of \$25 from the first year of this program);
- a family in need will be interviewed by staff of the Lodi Salvation Army and must meet the eligibility requirements (see attached Exhibit "A" – Eligibility Requirements);
- if approved by staff from the Lodi Salvation Army at its Lockeford Street office, the Lodi Salvation Army will then notify the City of Lodi Finance Department of eligible customer name and the amount of the relief payment; City of Lodi Finance staff will input appropriate payment data into the customer's account;
- the Salvation Army will once again notify the City of Lodi Electric Utility Department of approved customers; these customers will then be contacted for a free, in-home energy audit (staff will also deliver important customer information regarding water conservation and services available through Central Valley Waste); and
- a new set of income guidelines have been developed for year two of this program, which the Salvation Army will utilize as a part of the customer eligibility screening process (see attached Exhibit "B"). Note: Each income level has increased by \$1,000.00; in consultation with Salvation Army staff, the increase will allow additional families to participate in this program (Salvation Army staff had to reject a significant number of applications, because the income levels were too low; the Salvation Army representatives feel the modest income level increase will assist more families).

WHEREAS, several entities are partnering to ensure success of this program. Below is a listing of those agencies/departments and the financial resources committed by each to fund this effort:

- Central Valley Waste, \$15,000 (this contribution will fund the refuse relief payment component);
- City of Lodi Electric Utility, \$60,000 (this contribution will fund the program administration, customer outreach and material duplicating costs, as well as the electric utility relief payment component);
- City of Lodi Public Works, \$30,000 (this contribution will fund the water and wastewater relief payment components);
- City of Lodi Finance Department (staff time);
- Lodi Salvation Army.

WHEREAS, staff recommends approval of a contract with the Salvation Army to administer the program and provide the necessary customer screening services at its offices located on Lockeford Street in Lodi, with the Electric Utility staff serving as the City's point of contact for the program, frequently meeting with Salvation Army staff on document filing, customer follow-up, management of the budget, etc.; and

WHEREAS, Electric Utility, Finance, and Public Works staff, in conjunction with Central Valley Waste Services and the Lodi Salvation Army, recommend approval of these funds, as well as execution of the contract, to implement the Lodi CARE Package Program.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to allocate various funds for the Lodi CARE Package Program in the amount of \$90,000 as follows:

164606 – Public Benefits (Category: Low-Income Services) \$60,000
180609 – Water Fund (Public Works) \$15,000
170609 – Wastewater Fund (Public Works) \$15,000

BE IT FURTHER RESOLVED that the City Manager is authorized and directed to execute a contract with the Salvation Army to assist in coordinating this program.

Dated: September 7, 2005

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I hereby certify that Resolution No. 2005-192 was passed and adopted by the Lodi City Council in a regular meeting held September 7, 2005, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk

Lodi C.A.R.E. Package

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